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British Columbia's Forest Policy

SPEECH

BY THE

Hon. William R. Ross
MINISTER OF LANDS

ON THE

SECOND READING OF

The Forest Bill

LEGISLATIVE SESSION OF 1912



British Columbia's Forest Policy

"Since taking up the duties of Minister of Lands, Mr. Speaker," said Hon. Mr. Ross, "I have often had borne upon me the serious nature of the task committed to my care, but on no occasion has the responsibility of that office been driven home to me with greater force than in the anxious deliberations which preceded the introduction of this Forest Bill; and it is with a humble spirit that I now rise to address the House upon this momentous subject of forest conservation, and to move the second reading of this Bill. I do not intend to weary this assembly with statistics; I shall confine myself to general argument and exposition; but, in order that the aims and objects of the forest policy of the present Administration may be explained and made clear in all their bearings, it will be necessary for me to begin with a brief recapitulation of the history of the legislation of this Province that deals with forest matters."

Continuing, Hon. Mr. Ross pointed out that in the early days in British Columbia the forests were regarded merely as a huge natural phenomenon, like mountains, glaciers and rivers. They were "a beautiful accessory to the scenery, but regarded as of no value as commercial assets. The Legislature, in fact, gave away the timber with the land as a matter of course. However, soon after the advent of the C. P. R. and the removal of the barrier of isolation by which the Province had been cut off from the rest of the continent, the marked stimulus given to every business produced its effect upon the lumbering industry. For the first time, standing timber became of value, and the Legislature placed a price of fifty cents a thousand upon crown stumpage, a valuation that has remained unchanged for the past twenty-three years. The alienation of crown timber lands was not, however, stopped at this period. It was not until 1896 that the first recognition of the principle of state ownership of forests was made by the Legislature, and the sale of timber lands stopped.

"And stopped, let us hope, forever," added the Minister, with marked emphasis.

LEARNED WISDOM IN TIME

"We see today that other countries, such as Germany, France and Austria, are spending millions to recover forest lands from private ownership. Nearer home we have seen the United States alienate four-fifths of its standing timber for a song. British Columbia, however, learned wisdom in time. After 1888 the only breach in the principle of public ownership of forests occurred when timber was alienated in the grants in aid of railway construction—a policy that was put on the scrap heap by the present Administration. Instead of giving timber lands to new railways, we now give guarantees.

"The universal experience of modern times, added to the experience of centuries, has been that forests are best kept in public ownership, the chief reason being that forestry, or, in other words, the perpetuation of the timber supply, requires an investment stretching over generations, and that sort of investment has hitherto been too long for private owners. The member for Newcastle will, I have no doubt, regard with favor my statement that public ownership is peculiarly advantageous in respect to forests."

HISTORY OF FOREST LEGISLATION

Taking 1888 as a starting point again, examination of the old statutes showed that the Legislature, desirous of encouraging the lumbering industry, adopted the policy of granting cutting rights over Crown timber lands to any person who would build or operate a sawmill. The charge made by the Crown was but nominal—a few cents an acre—and the timber was not required to be paid for until it had been cut, being thus sold on credit, to the great advantage of the industry, since operators were thus not obliged to sink capital in the purchase of stumps. These grants of cutting rights were known as timber leases.

In 1895 a new and most important principle was introduced in legislation, that, simple as it seemed at the time, contained the germ of the modern provincial policy. In fact, the existence of the investor was recognized, and timber leases were granted to non-operators. The encouragement of the lumbering industry was still, however, kept in view by granting leases to operators at lower rates than to non-operators. The Minister remarked that it was unnecessary to follow the subsequent legislation in detail, and he would merely mention that the last phase of the timber lease period was entered upon in 1903-4, when the present Government came into power and raised the rental to twenty-five cents an acre. In 1905 the present Administration, having had time to look carefully into

the whole question of forest policy, realized that the leasing system was an extremely bad one, the timber being sold for twenty-one years ahead at the low prevailing rates then ruling.

It had become obvious to the Government that rates would show great change in twenty-one years, and that, therefore, the public timber was being sold at a sacrifice price. It was accordingly decided to abolish this antiquated system and to substitute a constructive forest policy which should make a radical change and revolutionize conditions in the Province. This marked the beginning of the modern epoch in forest policy.

IN THE OLD DAYS

"For years," Mr. Ross continued, "the Province had been in a bad way. The public revenue was insufficient; development was slow and starved for want of money; and the opening up of the Province was being delayed, because the necessary surveys, roads and other public works could not be undertaken. Each annual Budget was a nightmare. Deficits and liabilities were piling up in millions. The credit of the Province was low and immigration had been reduced to a thin trickle. As for the lumbering industry, of course, these prevailing conditions could not do more than retard its progress, but its operations were upon a small scale. So also was the forest revenue, which was only \$455,000 in the year 1904. There existed then the extraordinary situation that in a country of magnificent forest resources, the revenue derived from them was only about one-seventh of the scanty Provincial revenue of some three million dollars.

"We all remember the distressing semi-stagnation of those days, when few realized the value of the forests and none could foretell with confidence when their utilization would take place. The forest wealth of the Province was locked up—it was no help to the progress of the young community. The Province was starving for capital, and had no means of drawing upon its natural wealth. And yet the rest of the continent was even then beginning to realize that the timber supply of North America was insufficient—in fact, a shortage, a timber famine, was predicted in thirty years by those in a position to know. Flourishing lumbering regions, such as Michigan, were declining; important Eastern species, such as white pine, were getting cut out; stumpage prices all over the United States and Canada were going up by leaps and bounds; the campaign for conservation that resulted in the withdrawal of 170,000,000 acres of U. S. lands and the constitution of that great timber reserve known as the national forests was under way.

THE CRYING NEED

"Stumpage in consequence was being sought almost feverishly by investors. Here in British Columbia was the timber; here the crying need for public revenue to open up the Province, for capital to invigorate our anaemic industries, and there—throughout the older regions of the continent—was the capital we needed, capital which was seeking to invest itself in the fast diminishing Western reserve of timber that in consequence of the exhaustion of the Eastern forests was destined to control the lumber markets of America before another thirty years should pass.

"It was a moment of danger for the Province; it was the parting of the ways. British Columbia was not the first young country that has languished for want of capital; it was not the first young country that had sought to obtain capital by the sale of natural resources. Modern history is full of sad examples of young countries determined to get capital at any price, at any ruinous sacrifice of their future. The public loan policy that has saddled the Australian states with a crushing indebtedness is a case in point. British Columbia might have done the same, but at this crisis in her history there was found a strong Administration in control—an Administration that had sized up the continental situation. The Provincial Government was faced by the hardest problem that Governments have to face—how to deal with an enormous natural resource—and, although everything looks feasible enough after success has been achieved, yet, seven years ago, in 1905, the ingenuity and foresight of the statesman were needed to invent a forest policy to meet the situation.

"Legislation is usually a somewhat prosaic affair, and that is why I lay emphasis upon the Forest Act of 1905, because it reveals a stroke of true genius, because in its bold and sweeping features it is unlike anything attempted in any other country, and because, while others might be blind and perplexed and fearful of such decisive steps, yet the statesman's intuition could foresee the results and consequences that it would have far down the future years.

PUBLIC OWNERSHIP

"The Provincial Administration of 1905 nailed its colors to the mast; its motto was 'public ownership of forests.' Yet it saw that the Province had failed to obtain money in spite of its enormous forests, that it was impossible within a reasonable number of years to organize a service that could cruise and value crown timber, area by area, and sell it, as do Germany and other old-established countries. The prices of Western stumpage were very low in 1905; the

"future increase in value was obviously large, and the problem was to sell at that date without sacrificing this future rise in value.

"Again, it was essential to encourage one of the mainstays of the Province—the lumbering industry; also it was essential to give a supply of timber for the future operations of existing mills; to encourage by the same means the building of new mills—yet it would have been most inadvisable to have obliged operators to sink their capital in buying stumpage outright, since this would have sapped the vitality of a young and struggling industry. The best interests of the Province required that operators' capital should be left to them as working capital, for the development of their business, for circulation as wages, especially since wages represented four-fifths of the cost of manufactured lumber. The points enumerated above show how the problem before the Government bristled with difficulties. The Province was stagnating; capital was essential; cheap stumpage was necessary for the lumbering industry; the people's timber was to be made to yield immediate revenue, yet there was to be no throwing away of the future rise in stumpage. The unearned increment was to be preserved to the people, for whom the Government was trustee."

HOW THE PROBLEM WAS SOLVED

What, then, continued the Minister, did the Government do? How did it solve the problem of forest policy? The solution looked extraordinarily simple now, because the legislation that solved it had become so familiar and was working so smoothly that the short-sighted criticism of former years had been practically silenced. Looking at the bungling attempts of other young countries to deal with natural resources, it would be seen that the legislation of 1905 was truly great in its straightforward simplicity. He merely rehearsed what everyone knew. The Government threw open all Crown timber lands and anyone was allowed to secure the right to cut timber. In this way sawmills could obtain timber for future operations and the present and future of the lumbering industry was assured. The lumbermen of the continent were encouraged to come and operate in the Province, for they could get here all the stumpage that they needed. The investors of America—aye, and of Europe—were offered investments. The Government merely handed over the cutting rights, giving an option on timber that was only to be paid for when it should be cut. In return for the cutting privileges granted them, licensees were only required to pay annual interest on the value of the timber reserved for them. No tenure could be simpler, and none more advantageous, since it rendered possible the holding of timber until a market should be favorable

for the cutting of it, the holder obtaining every advantage of the purchaser of stumps. In this way 15,000 square miles, or over nine and a half million acres, were taken up, and the forest revenue doubled and trebled itself.

In 1904 the revenue from timber sources was \$455,000; in 1908 it had risen to \$2,785,000, and no less than thirteen million dollars were yielded to the treasury in seven years.

SCIENTIFIC FOREST REVENUE

Since hon. members of the Opposition had at times talked fantastically about the giving away of timber to speculators, he would refer in some detail to the principles that had actuated the Government. In every country the securing of revenue from forests offered most difficult problems. From the forestry point of view, revenue should be collected when the forest crop was cut. Collected that way, however, the revenue was spasmodic, since it depended upon trade conditions, and that was an unsatisfactory revenue to support the public works necessary for the opening up of a new country. Again, collected in that way, revenue might be deferred even for decades in such a way as to be useless for a young country requiring revenue for its immediate development. An immediate, steady revenue was the life blood of a growing new country such as B. C. Yet, on the other hand, to levy heavy charges every year on one and the same crop of standing timber would have the worst effect on conservation, since it would encourage the butchery of timber. It was therefore necessary to compromise between the system of charging for Crown timber when it should be cut and the system of levying upon it a heavy annual charge, and that was the compromise that the Provincial Government made. Instead of drawing an uncertain, spasmodic revenue from the forests that would depend upon the condition of the timber market, a revenue that would be insufficient today, when the annual cut is small, and that would be heavy twenty or thirty years hence, when the Province would not have the same crying need for money as now—instead of that, the Government's policy was to extract a steady, even flow of annual revenue from the vast area of standing timber that might, perchance, not be exploited for fifty years to come. The Government's policy was to make the whole forest yield annual revenue, the poor timber along with the good. With the immense revenue thus obtained—no less than two and a half times that of any other province and half the total forest revenue of Canada—with this immense revenue the Government meant to take advantage of the continental movement towards the West and to place

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the Province in a position to obtain its full share of Western development.

PROFIT FROM FORESTS

Profit was extracted from forests in two ways—by holding standing timber and, alternatively, by the cutting of it. The usual Canadian system, as practiced in Ontario and other provinces, had been to sell Crown timber in return for three payments. First, a lump sum down at the time of the sale to secure a share of the holding profit; second, a nominal annual rental; and, thirdly, a royalty when cutting took place, to secure a share of the manufacturing profit. Now, the collection of royalty when timber was cut was a perfectly sound means of securing the Government's share of manufacturing profit; but the collection of a lump sum down at the time of sale (just as in the case of any real estate transaction) could not always be trusted to yield the true holding value of standing timber, especially when a vast number of sales were being made within a short period of years. It was obvious that such lump sums might be seriously affected by general business conditions at the time; that when much timber was to be sold a market might very easily be glutted; and that, further, the future increase in timber values might possibly not be properly realized by the public when the sales were being made. For all three reasons timber under this sale system might be alienated as far below its intrinsic value. The striking originality of the B. C. policy of 1905 was the avoidance of this difficulty, and the avoidance of the years of work and the enormous expense that the cruising of millions of acres of Crown timber lands would have necessitated. The Government asked for no lump sum bonus; it modified essentially the ordinary Canadian system; it developed the humble license system that already existed and secured the share of profit coming from the holding of timber in a very perfect manner by an annual charge, namely, rental, that was essentially different from the nominal rental of the other Provinces.

POLICY OF 1905

Dealing with the results of the policy of 1905, the Minister pointed out that it was but fair to claim that that policy had inaugurated the new era. One thing led to another. Capital began to flow into the Province to invest in timber; attention was thus attracted to our other natural resources; investments therein followed and the public revenue increased. The Government, backed by the forest revenue, was able to survey millions of acres of agricultural land and to open up new regions for the settler by a system

of public roads. Our cities grew—look at Victoria and Vancouver today, and remember what they were in 1905!

"Owing to the expansion that ensued in every industry, the workingman found steady employment and increased wages; the farmer shared in the general prosperity, and it became possible to promote railway expansion without the heavy sacrifices of the public domain that had obtained in the past. To clinch the matter and to make sure that our forest resources should not merely be the foundation, but should also build up the whole fabric of the lumbering industry and strengthen the whole commercial system of the Province, the Government in 1906 adopted a thoroughgoing policy that timber must be manufactured within the Province. One could see from the history of Quebec how forests might be cut and wood shipped to a foreign country, leaving in the Province of its origin only the small profit coming from the sale of raw material and from the wages paid to temporary labour. With this example before it, the Government determined that the profit in manufacturing raw material should benefit our citizens, and hence it clinched the policy of 1905 by an emphatic prohibition of timber export."

Mr. Parker Williams at this juncture rose to a point of order, claiming that the Minister was "rehearsing a lot of past history" instead of dealing with the bill before the House."

Hon. Mr. Ross: "I am endeavouring to show the similarities between the present bill and that of 1905."

Mr. Speaker Eberts: "Comparing old legislation with the new; I think that is quite in order."

"I objected, Mr. Speaker," said Mr. Williams, "because the Minister is simply taking credit to the Government for what it has done in the past instead of dealing with the principles of this bill."

GOOD MANAGEMENT

"The actions of this Government," retorted Hon. Mr. Ross, "have been so uniformly good that it is impossible to say anything about them." (Laughter and cheers.) Continuing, the Minister pointed out that he was not claiming that the Provincial Government, like the Laurier Administration, had caused the sun to shine and the grass to grow greener. What he did claim was that good management at the opportune time, had helped enormously to remove obstacles that might have delayed the prosperity that has come to this Province. It was good management that had seized the right moment to strike, the right moment to divert the Western movement to B. C. The forest policy of 1905 and its success, without a shadow of doubt, had brought the world to realize this country's resources; that forest policy had produced in seven years over

thirteen million for roads and surveys and other public works; that forest policy established the credit of the Province in the financial centres of the world and strengthened the hands of the present Government to embark upon that vigorous railway progress that is being crowned with such success; that forest policy let loose the flood of prosperity that the Province has enjoyed ever since.

TRIUMPHANT CONCLUSION

By the end of 1907, the first stage in this policy had been brought to a triumphant conclusion, and an annual revenue of two and a half million dollars had been secured. This being sufficient for the opening for settlement of Central British Columbia and other new regions, the Government ceased to issue timber licences, and placed the remaining timber lands under reserve until such time as further sales should become necessary. The issuance of cutting rights over nine and a half million acres placed the Government, of course, in a position of very heavy responsibility, both as trustee of the people's timber lands and also because of its duty of fostering the lumbering industry and recognizing the just rights of licencees. In consequence, the Government determined to take plenty of time for a careful and deliberate study of the working out of the system that it had established, and, therefore, in 1908 it appointed a Royal commission of investigation, composed of the Hon. F. J. Fulton, K.C., then Chief Commissioner of Lands; Mr. A. C. Flumerfelt, of Victoria, and Mr. A. S. Goodeve, the representative of the Kootenays in the Dominion Parliament. This commission held many public sittings and collected an immense mass of evidence, visiting in the course of its inquiry every important centre of the Province. One of the first points referred to it was the question of removing the time limit for cutting timber under licence, and the commission had no hesitation in advising that removal as the logical sequel of the forest policy, since it was not in the interest of true conservation to force cutting at any time by arbitrary regulations. The absence of a time limit was not only in the interest of the public, but also gave a better security of tenure to the licensee.

The commission spent a year and a half in studying the many phases of the forest problem; it placed itself in touch with the administrations of other provinces and states and also with the Federal Government at Washington, where the conservation movement, under the Hon. Gifford Pinchot and President Roosevelt, had gathered such remarkable force. After a most painstaking inquiry, the commission reported at the end of 1910. The Minister here remarked that he would deal with the commission's findings at a later stage, when referring to the general aspects of the Forest Bill, and

would only direct attention at this point to the striking fact that, widely as the commission's report had been circulated—so much so that the large demand from every quarter exhausted the thousands of copies printed, and necessitated a fresh edition—yet practically not a voice had been heard dissenting from its careful pronouncements.

PRACTICAL CONSERVATION

During this period of investigation the Government had also been at work. It gave an enthusiastic welcome to the conservation movement, of which its own policy was an effective interpretation; it did not confine itself to mere talk, but at once began to carry out its ideas in a practical manner. The great essential of forest conservation was the prevention of fire, and this the Government first attacked, both by putting on a force of fire wardens and by fighting fires. In 1909 the Government spent \$46,000 on this practical work. In the year following it spent about \$220,000. The organization of the new fire prevention force was no easy matter, and naturally that organization had been somewhat rough and ready at first, but it had gradually been brought to a much higher pitch of efficiency by the placing of wardens under divisional inspectors, and by controlling these in turn by supervisors. During the past year the Province had been covered with a network of patrols, about one hundred and twenty men being on regular duty at an expense of \$110,000 for the season, and the results of patrol being evidenced in a striking manner in the diminution of fires. Of course, it had been a favourable season, but it was remarkable that the expense of fighting fires had been brought down to about \$30,000 and that very little damage to timber had been caused. This was practical forest conservation, or, rather, it was the essential preliminary to it.

STUDY OF OTHER COUNTRIES

Besides getting the fire menace under control, the Government had been carefully studying the forest policies of other provinces of Canada and their results. The experiences of Ontario, Quebec and the Dominion were all instructive and suggestive, and many states of the Union, such as Idaho, Minnesota, New York, or Washington, to mention but a few, gave us good ideas. In particular, the efficient policy of the United States in the administration of its great national forests repaid most careful study, especially since it gave an object lesson in dealing with Western conditions. But although studying the policy pursued elsewhere and carefully selecting useful methods that had been tested by experience, the Government had been careful not to confine itself to mere imitation, the more so as

the study of other countries had made it very clear that the forest policy of B. C. need fear no comparisons. In its main features that policy stood by itself as the soundest, most effective, profitable and convenient method of obtaining a steady flow of revenue from the forests that has yet been evolved by any country.

LESSONS OF OTHER COUNTRIES

The Minister next touched upon the fact that Russia, the United States and Canada are the three great softwood countries of the world; that more than half the timber of the United States is in the Rocky Mountain and Pacific forests, and that more than half of Canada's timber stands in British Columbia. To illustrate the exhaustion of supply that has already been felt in the East, he touched upon the downfall of Michigan and other Lake and New England states as lumber producers, and the rise of Washington and Oregon, which states already cut between them more than the whole of Canada. The westward shifting of the source of supply was also shown by the downfall of Quebec, which in 1909 yielded to this Province second place as a lumber producer among the provinces of the Dominion. In 1910 British Columbia practically tied with Ontario as to quantity of lumber produced, and yet this Province was only beginning its career, and had scarcely touched its forests. Even the comparatively small progress as yet made had necessitated the erection here of no fewer than 270 mills, employing tens of thousands of men, and enriching the Province by a no less amount than \$24,227,000 in 1910. With the East showing signs of exhaustion everywhere and with our forests still unexploited, British Columbia held a strong position indeed with regard to the future, and there was, in addition, the great and glorious fact that our forests were in public ownership and that every citizen was thus a timber owner. As the forestry commission's report remarked: "The bulk of our timber is under Government control; the rate of growth upon the Pacific coast is twice the average for the United States, and, to cap the climax, the Provincial policy has made the Government a sleeping partner in forest exploitation—a sharer in the profits of the lumbering industry. Two things are, therefore, plain: One, that the value of standing timber in British Columbia is destined to rise to heights that general opinion would consider incredible today; the other, that under careful management heavy taxation need never fall upon the population of this province. The profits from a permanent Crown timber business should make British Columbia that phenomenon of statecraft and good fortune—a country of semi-independent means."

PERMANENT INCOME

The public accounts just presented spoke eloquently of the progress that good management had brought about without taxing the people of this Province in any burdensome degree, no less than two and a half millions being realized by land sales, and an equal amount through forest revenue. Land sales, of course, were only a temporary source of revenue, but the forest income was permanent, and under a common-sense conservation policy would steadily increase. Without such a policy, the cutting of the present crop of timber would ruin and lay waste our timber lands. The young growth would be burned, inferior species would replace the Douglas fir; by the denudation of our watersheds soil erosion would take place on mountain slopes, irrigation would be endangered, the lumbering industry would gradually decline, and British Columbia would sink into the stagnant insignificance that has overtaken other worked-out forest regions. That dismal fate, however, should never overtake this Province, because we nowadays know how to avert it, and because the present Government of this Province would see that necessary and essential measures were taken. The Government would do this now—not when all would be too late.

THE FIRST ESSENTIAL

Dealing with the bill itself, the Minister discussed what must be done to conserve the forests and to assure a permanent, instead of a short-lived, lumbering industry. Facing the same problem that the United States faced only a few years ago, the Government realized that a thoroughly efficient forest service was a first essential of conservation, and, like the United States, it hoped to create one that should be a model for the continent. For the coming year the United States estimates provided for over six million dollars for fire prevention. Prussia, with half our forest area, spent no less than fourteen million dollars, or over fifty cents an acre as a matter of current business routine; India spent four millions, and the Government had its eyes open to the fact that bricks cannot be made without straw, and that conservation costs money. The forests that had yielded thirteen millions in seven years were worth spending money on, and hence it was intended to ask a substantial vote for their protection in the coming estimates. In this connection the Government had noted the striking proposal of the forestry commission that royalty should be regarded as forest capital, and it was glad that it would be able to refer this and other important matters of finance to the best expert advice on the continent.

EXPERT ADVICE

Under the Hon. Gifford Pinchot, the practical organization of the United States forest service had been accomplished by Mr. Overton W. Price, now vice-president of the National Conservation Association. Mr. Price was recognized as one of the very foremost experts of the conservation movement, and the Government, after months of search for the best available talent, was glad to announce the engagement of Mr. Price in an advisory capacity as consultant forester to the Province. It was also a matter for congratulation that the Hon. Mr. Pinchot had taken so keen an interest in our forestry problems that he was coming to British Columbia on his own account to overlook the field with Mr. Price. Quoting from a letter from Mr. Price, the Minister said that that gentleman, in accepting appointment, had written that "Mr. Pinchot heartily approves of my taking up the proposed consulting work. I am particularly glad to tell you that he displays keen interest in the work itself, and has expressed to me his entire willingness to give it, as far as practicable, his general oversight and co-operation. He hopes to visit British Columbia during the coming summer in the interests of constructive work in forest organization. This is a source of great gratification to me as I know it will be to you. You have, I believe, written to Mr. Pinchot on behalf of yourself and the Premier, expressing the hope that he will identify himself with this work. On my part, I shall take up my duties with a particular interest and enthusiasm. Through a combination of circumstances familiar to you, I believe this work offers an unequalled chance for important public service. So far as I am aware, no country has ever had the opportunity now before British Columbia to build up a forest service that will be a model in efficiency and a model in its contribution to the public welfare. It goes without saying that an opportunity to share in such work is a high privilege."

Mr. Pinchot had written, the Minister continued, "It will give me great pleasure to go carefully over Mr. Price's plans, and, unless I am disappointed, to spend also some time in the field in British Columbia. This latter I cannot yet definitely promise, because I do not yet know what the demands of the summer may be, but if I can manage it, I will come to British Columbia on behalf of the work with the greatest pleasure. May I ask you to convey my heartiest good wishes to Mr. McBride?"

HEADQUARTER CONTROL

The next few years, the Minister continued, would see the forest service in process of formation, and during his period of organization it was particularly necessary to provide a strong headquarter

control. Provision was therefore made in the bill for the constitution of a Forest Board of experts who would keep in touch with and co-ordinate the many different phases of the work. Composed of practical men actually engaged in the service, the board, under the direction of the Minister, would carry out the vigorous policy that the Government had outlined. Under it a general investigation of the timber resources of the Province—both those under lease licence, reserve or in private ownership—would be undertaken, with a view to ascertaining exactly what timber the Province contained. There were reasons for believing that the timber now under reserve was much greater in extent than most people thought. In connection with this investigation, the Government would require all licences to be surveyed as soon as possible and at latest by 1918; and to facilitate and cheapen such surveys, simplified regulations had been introduced into the bill for the survey of timber lands. As the timber still unsold was ascertained, and as needed and desirable in the public interest, sales of Crown stumpage would be held.

Two facts had been kept in view in deciding upon the method of tenure; the first one was that the B. C. license tenure was the best yet devised anywhere; the second one was that uniformity of tenure throughout the Province was most desirable, since it avoided creating any commercial handicap between different classes of holders of Crown stumpage. Therefore, all through the Forest Bill every possible effort consistent with the existing rights of holders had been made to put all holders upon an equality. In accordance with this principle, all future sales would be sales of licenses, and the conditions of these would vary according to circumstances. Sometimes sales would be for immediate logging, for example to save burnt timber liable to spoil; some sales would be on the basis of bonus per thousand feet in addition to royalty, payable when the timber was cut, this being the improved Ontario method. Pulp-wood timber would be sold under license, a few simple modifications being made in the conditions of the license to cover the question of the saw-timber included in pulp areas.

THE PULP AND PAPER INDUSTRY

In this connection the Minister referred to the well-known fact that the United States supply of pulpwood is hopelessly insufficient for the present needs of the great republic. Already that country imports one-quarter of the raw material for its pulp mills from Canada, and, in addition, Canada supplies to it over \$4,000,000 worth of manufactured pulp. Already the industry has begun a rapid growth in the West, six mills having been established in Oregon and Washington. In this movement British Columbia had not lagged behind, five mills having been already built within the Province. Upon the

large pulp and paper mill at Powell River, three million dollars had been already spent on mill plant alone, to say nothing of the necessary investment in logging, railways, etc.; a million and a half represented the investment at Ocean Falls; and mills had also been completed both at Swanson Bay and Howe Sound, the total expenditure to date being no less than \$6,500,000 on plant alone. Small towns had been created on the mainland coast through this new industry, and future developments in this Province were most promising. At the great Powell River operations every man employed was a white man and Orientals were kept out. The Minister then referred to the report of the U. S. tariff commission, which showed that on an average the wood used in every ton of pulp cost five dollars less in Eastern Canada than in the U. S., and that, as far as the West was concerned, the 660 square miles of pulp concessions granted by former Governments of this Province give the companies who hold them a strong advantage over their competitors in the Western states as far as cost of raw material was concerned. The Forestry Commission Report dealt at length with the question of the saw-timber included in the pulp concessions granted in 1901, and the commission had recommended that a cruise and thorough examination of these concessions be made to ascertain the facts of the situation. The Government, in adopting this proposal, would detail trained experts from the Forest Branch to study the problem where it should be studied—that was, on the ground, on the pulp leaseholds themselves. In dealing with the extremely complex situation involved in the holding of this saw timber, the Government was guided by two principles, namely, that the good name of the Province must not be smirched by any repudiation of pledges given by former Governments, and that, at the same time, the interests of the public, as owner of the timber, must be fully protected.

ROYALTIES

Concerning the present rates of royalty, the Forestry Commission had made no recommendation, but widespread press reports had given the mistaken impression that rates had been altered in the present bill so as to levy royalty according to the grade of timber. Since these reports had been given currency, he desired to take the present opportunity of contradicting them, as well as the statement that the royalty on leaseholds had been raised to \$1.50.

CREATION OF RESERVES

To facilitate the work of reforestation, the Government had adopted a policy put in practice by Ontario, the Dominion and the United States Government—namely, the power to proclaim forest reserves over lands suitable only for the growing of timber. Much

land in this Province was among the best in the world for this important purpose, and both to perpetuate the timber supply and to protect the watersheds, considerable areas would necessarily be held for reafforestation purposes. As an example of this policy, the Minister referred to the recent action of the Dominion Government in reserving the entire eastern watershed of the Rocky Mountains.

SUPPRESSION OF FIRE HAZARD

Reafforestation, however, and a permanent lumbering industry alike were idle dreams unless we devised means for the control of human carelessness and the prevention of forest fires. We were faced by the appalling fact that more timber has been destroyed by fire during the last century than the lumbermen of the continent had cut. Forest fires and the sensational advertisements they received had depressed the value of standing timber, deterred investment and hindered the progress of the lumbering industry by adding a certain element of uncertainty in its financing. But the injuries felt today in consequence of the destruction of merchantable timber were only the more visible and immediate effects of fire, the injuries to the reproductive power of the forests were far more serious. As an illustration of this, there was the oft-quoted result of investigations conducted in the United States, which revealed the fact that over eighty million acres of cut-over lands in that country were not re-stocking, having been burned and re-burned until they had become sterile. Already in this Province we had districts that were not re-stocking —wasted, desolate areas, useless for anything, as the result of repeated fires that often had been caused by an almost imbecile carelessness. He would say nothing of the lives that had been lost in various forest fires in British Columbia, the valuable property that had gone up in smoke, the ruin of individuals and the loss to the Government. He came himself from Fernie, and all knew what a neglected forest fire that seemed to be nobody's business had done to Fernie. Nor would honorable members have forgotten the appalling conflagrations that had scarred with death and destruction the records of the entire West in 1910—that disastrous year during which one million dollars was poured out by the United States treasury alone in the controlling of fires that should never have been allowed to spread.

CAUSED BY HUMAN AGENCY

Now, the vast majority of forest fires were not a phenomenon of inanimate Nature. They were caused by human agency in two very simple ways: firstly, by the creation of inflammable debris through the felling and removal of standing timber, and, secondly, by the careless use of fire in or near the forests. Year after year a great

variety of operations were being conducted in timbered country. Thousands of acres had been logged over, and, with the removal of the merchantable timber, the land had been left covered with tree-tops, limbs, shattered young growth and out brush. Every summer this rubbish became tinder-dry and a menace not only to the debris-surrounded young growth representing the coming crop, but also to merchantable timber in every district. Imagine this process continued year after year, and it would be seen that our forest wealth would in time be represented by islands of merchantable timber surrounded by vast areas of slash that were bound to catch fire sooner or later, to the great menace of the valuable remainder. Imagine again a continuation of the methods hitherto employed in cutting right of ways for railways, power lines, telegraph lines, trails and flumes, in making roads, in every sort of work in or near the woods—methods under which the creation of highly inflammable debris in the most hazardous places was regarded as a simple matter of course. It was easy to see that if this process were to continue the Province in time would become one immense fire-trap, and not only would the patrolling of immense dangerous areas be enormously expensive, but also this patrolling would be ineffective, because in most sections fire would consume the fire-traps sooner or later in spite of every effort. It was, therefore, obvious that the debris menace must be made an end of.

PUBLIC NUISANCES

There were places in which the existence of debris could not be tolerated at any price, as, for instance, on railway rights-of-way. He was glad to say in this connection that the lessons of 1910 had brought forth fruits, and that the railway companies during the past year had been co-operating in fire prevention in a most gratifying manner. To illustrate this, he would only mention the \$50,000 spent in clearing up debris on the Canadian Pacific Railway between Crow's Nest and Kootenay Landing. To cope with accumulations of debris, which on account of their nature or their situation threatened life or property, the Government required the power to condemn such accumulations as public nuisances. The Government also desired to compel the immediate surroundings of mines, camps, open burners, etc., to be safely cleared of rubbish, and his honorable colleague, the Minister of Public Works, would make it a feature of his good roads policy to compel road foremen to stop their highly dangerous custom of throwing debris alongside roads.

LOGGING SLASH

The main problem, however, was the slash from logging operations. Various other Governments had already attempted to deal

with this important matter. The Idaho and Oregon laws required the annual burning of logging slash; the Minnesota law gave absolute power to compel disposal of it, and this law was being vigorously enforced; New York state compelled lopping, and, of course, in all timber sales in the United States national forests an essential condition imposed upon the operator was that he should burn, pile, lop or otherwise dispose of logging slash as the forest officers might direct. The recommendation of the British Columbia Forestry Commission was that all operators in this Province should be required to dispose of the debris they made in a satisfactory manner.

In recent years, through the lumbermen's associations in the Western states, and through the various state governments, a strong movement had arisen in the West in favor of burning logging slash. In British Columbia also the Government had been paying for the successful destruction of many fire-trap areas, and through the efforts of its officials private owners of cut-over lands had been encouraged to consume their debris by the use of fire. Fire, that was to say fire at the right time, was now recognized as essential in many regions for the proper reproduction of the Douglas fir. Another strong argument for the use of fire was that fire would come into logging slash in any event, and it was better to have purposeful burning that could be supervised and controlled than accidental conflagrations, such as those, for example, that swept up two important timbered valleys during this past summer and caused an expenditure between them of twelve or thirteen thousand dollars of public money. But he emphasized the fact that, generally necessary and useful as fire is, it was no panacea suitable to the conditions of every region. There were districts in which the use of fire would be injurious to the forests; others in which its use was too dangerous; others in which there were better methods of handling slash than by burning. Again, the question of expense came in, the lumberman pointing out with obvious justice that the compulsory disposal of slash would increase the cost of logging to an extent that has not yet been ascertained, and that it would be unfair to burden him at this more or less experimental stage with what might prove an intolerable commercial handicap. Taking all these matters into account, the Government had therefore taken the position that individual operators should merely be required at the direction of the Minister to isolate any particularly dangerous slashings by firelines, leaving the slash itself to be dealt with by the forest service at the expense of a certain fund with which he now proposed to deal.

VOLUNTEER FIRE-FIGHTING

In the Western states timber owners and lumbermen had been obliged by circumstances to protect their timber at their own expense. The organization of volunteer fire-fighting associations began in Idaho, and today there were not only four associations in that state, two in Washington and one in Oregon, but there were also a large number of small local organizations that undertook the part of various timbered districts. These voluntary associations cut trails and firelines, installed telephone systems and established a force of fire wardens to patrol their membership holdings and to burn dangerous slashings. The expense of this work, of course, varied from year to year, but, taking a general figure, it might be put at $3\frac{1}{2}$ to 2 cents per acre per annum, although in cases it had run as high as 6 cents and in one case 13 cents.

These unfortunate lumbermen of the Western states were obliged, in self-protection, to patrol about double the area belonging to them, since, in self-protection, they must safeguard the lands of stingy neighbours who refuse to contribute to the association fund. About \$270,000 was spent in the Western states by the voluntary efforts of lumbermen during the past summer. In Canada the prevention of forest fires had been taken up on a large scale both by Ontario and Quebec, the latter province compelling limit-holders to employ a sufficient force of patrolmen at their own expense. Ten years ago the Ontario Government began a system of compelling licensees of Crown timber land to pay half the entire cost of patrol and fire-fighting. In B. C. lumbermen and timber holders had made no attempt to form voluntary associations. Something had to be done to protect the forests, and it had been, therefore, to meet an existing emergency that the Government had stepped in and equipped a patrol system all over the Province at the expense of the Consolidated Revenue Fund. In thus acting, pending its decision as to the policy that it would ultimately adopt in fire prevention, the Government had in view a temporary provision only; and it had now decided to require timber owners to pay half the cost of fire prevention, the other half being contributed by the Consolidated Revenue on behalf of Crown timber and watershed protection. One cent an acre would be levied on timber holders for the protection of their property and a trifling contribution would also be required from operators on account of the expense caused by the supervision of their operations and the great annual expense caused by fires arising in connection with these operations.

FOREST PROTECTION FUND

Although contributions to this fund from each owner or operator would be trifling, in bulk the forest protection fund created by

these contributions, plus the Government's dollar for dollar, would represent a large sum of money—upwards of a quarter of a million dollars, to begin with. This fund would be entirely separate from the Provincial revenue and the amounts required to be contributed to it would not be taxation, since they would be expended for the direct benefit of contributors. Through the powerful agency of this fund the Province would be covered by a far closer network of patrols than hitherto, and, moreover, an important improvement would be made in the somewhat rudimentary system hitherto in force, which had been the mere employment of wandering patrolmen, who were sometimes hard to find when fire broke out. Great stress would be laid upon permanent improvements; the forest districts would be covered by rough-and-ready telephone systems, as in the Western states the patrolmen would connect with the main lines of these systems by portable light wires, and would thus be able to keep in touch with the headquarters of their districts while remaining on emergency work at the site of any fire. Trail-cutting and the construction of fire lines and the establishment of look-out stations on high elevations and other works of this description would within a very short period of time vastly increase the efficiency of the protective service, and he trusted that it would be possible to carry out the suggestion that had been made by an honorable member and to utilize wireless telegraphy at no distant date. Prompt arrival was the secret of successful fire-fighting.

GREATEST PROBLEM OF ALL FORESTRY

It was in connection with the problem of the disposal of logging slash that the forest protection fund would prove its great utility. It would create a force of men that at the proper seasons of the year would be available for dealing with dangerous accumulations of inflammable material. Under the direction of expert forest officers, these men would be making a regular business of handling slash and the work done in this manner by professionals would be carried out with far greater safety, efficiency and economy than it could be by ordinary gangs of workmen. Another important point would be that under the direction of technical foresters the slash would be disposed of in the best interests of the young growth and reafforestation, matters to which the ordinary operator could not be expected to devote attention. In this matter the Government was feeling its way carefully, but he was of opinion that through the Forest Protection Fund British Columbia would be able to solve that greatest problem of all forestry, the disposal of logging slash—that problem that had baffled and was still the bugbear of both Governments and operators in other regions. It would achieve this

without imposing any serious burden on either the Government or the operators. Fire prevention on a small scale might often be an expensive matter, but on a large scale it could be made in time extremely cheap—by the abolition of the causes of fire. What the fund would spend in slash disposal it would in the long run save in patrol expense, and by thus diminishing the fire hazard, which had dominated this Province over long, it would make the task of conservation possible. He ventured to direct attention to the remarkable results that might be achieved through this fund, which, by its successful operation, would place British Columbia, at a bound, in the front rank of the countries of the world in the matter of forest protection.

RAILWAYS AND FIRE

He would not upon this occasion discuss the many other provisions of the bill that dealt with fire prevention. They were too numerous, and he would confine himself to a brief reference to the question of railway fires. The construction and operation of railways had been for Canada in the past one of the greatest national disasters that any new country had ever had to face. Of course, the railways were necessary, but the ghastly destruction of forest regions through gross carelessness was not necessary. Newadays, he was glad to say, more enlightened men had come into the control of the Canadian railways—men who recognized the danger to the forests that their locomotives caused, and he was glad to testify to the willing co-operation in fire prevention that the railways of the Province were now giving. So far, no satisfactory means other than oil-burning, which was not always practicable, had been discovered that would abolish the danger of fire from locomotives, and hence patrol after trains was essential for the protection of timbered districts. Patrol such as this should be left to the discretion of local railway officials, but should be established by force of law. That was why the Government had had a complete inspection of Provincial railways made by supervisors of the forest protection service during the past autumn, and had elaborated in detail a plan of patrol for each railway, following this up by formal application to the Dominion Board at Ottawa that has jurisdiction over most of the railways of British Columbia. This application requested the board to exercise its authority and to establish these needed patrols officially, and he was happy to say that the hearing of this application would take place during the next few weeks. In the bill the Government was asking for the same powers to compel patrol on Provincial railways that the Dominion Board already possessed on railways under Federal charter.

EVERY PHASE CONSIDERED

At this stage he would not enter into the many details of the drastic provisions of the Forest Bill that were designed to control the reckless use of fire by careless individuals, whether among railway men or other classes of the population that are accustomed to use fire near the forests. He would only say that every phase of the subject had been carefully provided for. The release of agricultural land from the areas held for forest purposes was, of course, an elemental duty of any Government, and would, of course, be dealt with by his department as a matter of routine. As for the suggested alteration of the customs tariff to encourage the utilization of low-grade lumber, this did not fall within the Provincial jurisdiction. Having mentioned these two matters, he pointed out that every recommendation of the Forestry Commission had been dealt with either in the bill or in his foregoing remarks, and it only remained for him to express the thanks of the Government to the capable members of that commission for their painstaking, useful and masterly presentation of the forest problem as it confronted the Province.

SANE AND BUSINESS-LIKE CONSERVATION

"In the framing of this Forest Bill," said the Minister, approaching his final remarks, which had been listened to with the closest attention by the House "the Government has had in view a sane and business-like policy of conservation, free from sentimental extravagance, and taking into account the many practical difficulties, impediments and risks the lumberman must encounter in his strenuous occupation. Nature alone places sufficient obstacles in his way, but to these the commercial conditions existing in the West at the present stage of development have added others of a most serious kind—the curse of overproduction, the spoiling of his present markets by the dumping into them at cut-throat rates of foreign surplus stocks, and the consequent hardship that this disorganization of proper trade conditions is only too apt to cause in the financing of his operations. It is plain, however, that, serious as these troubles may be at the present day, they are but the transitory growing-pains felt by a sound and growing industry. The gigantic task of opening an outlet for Western commerce through the Isthmus of Panama will be completed within the space of two short years. He would be a bold man indeed who would venture to prophecy the effects upon this Province of the opening of that canal. Upon its completion British Columbia will be the Far West no longer; the canal—halving the distance to Europe—will cause new currents of the world's commerce to flow to and from our coast, and

the great European markets will be brought within the selling range of our main Provincial industries.

HARBORS PREPARING FOR PANAMA

Already our harbours are under preparation for the flood of trade that will come upon us when our present inaccessibility from Europe has been removed forever. All up and down the Pacific coast, from Prince Rupert to Vancouver, Victoria and southward to San Diego, every port is busy building breakwaters and elevators, dredging, constructing and renovating docks and getting ready in every way for the coming trade. One hundred million dollars is in process of expenditure upon the ports of the Pacific coast. No industry, I venture to predict, will make more rapid or more solid growth in the general sunshine of prosperous development that will fall upon this Province when the canal is opened than our lumbering industry. Cheap freight rates are the essence of successful lumbering; cheap freight rates, in spite of the scare concerning tolls that has been sedulously encouraged by certain interests, will be the inevitable feature of the route by Panama, because the builders of that canal have no alternative. Looking to far countries, we see that the steady depleting of the world's timber will make prominent our forest Province as one of the great natural reservoirs of supply. Looking eastward, we see that this Province grows the timber, the prairies grow the wheat, and that B. C. and the great prairie provinces supply each other's vital needs in many ways besides. Directly by export trade eastward and westward, indirectly by the expansion of other industries within our provincial boundaries—by both these reasons our lumbering industry will grow and flourish.

PERSONAL APPEAL

"To honourable members of this House I desire, before closing my remarks, to make a direct personal appeal. Until lately the setting of forest fires by carelessness has been too often looked on with the indulgence that is habitually extended by many citizens to petty violations of the customs regulations. But we are beginning to make our people realize that general carelessness in the use of fire is no trifling matter, that in its consequence this bad citizenship can prove ruinous to a country depending, as B. C. does, directly and indirectly, on its forests for a great share of its prosperity. Hence I make my appeal to honourable members of this House to co-operate with my department in educating the public mind, and to take a firm stand in their constituencies against the reckless, careless element in the population that still exists. It is the disagreeable duty of my department to bring to punishment at times citizens

who, although otherwise of good standing in the community, have not yet learned the lesson that carelessness with fire means disaster to B. C. When violations of the fire-prevention clauses of the Forest Act occur in any constituency, I ask the honourable member who represents it in this House to take an open stand alongside the members of the forest service engaged upon their duty, and neither seek to palliate the carelessness nor shield the offender.

THE NEW EPOCH

"And now, sir, I approach the end of what I have to say. We are in session here today—in ordinary session—peacefully engaged upon the accustomed duties of the year, amending and enacting laws, making our annual attempt to improve the conditions under which we and our fellow citizens must live. We meet together in this House day after day for six or seven weeks, and legislation with most of us has grown to be a familiar and uneventful task. So pass the sessions year after year, and, like the minute workers that create the coral islands of the Southern ocean upon which mankind has built his habitations, so do we, through our labours, gradually create that massive structure of law upon which the happiness, prosperity and future of this fast-growing community of the splendid West so largely depend.

"An epoch, sir, is drawing to a close—the epoch of reckless devastation of the natural resources with which we, the people of this fair young Province, have been endowed by Providence—those magnificent resources of which the members of this Government and this Assembly are but the temporary trustees. That rugged, rudimentary phase of pioneer activity is doomed to end. The writing is on the wall; the writing—to put the simple fact—is in this Forest Bill. Armed with that weapon, as forged by this honourable Assembly, the Government of British Columbia will undertake the work of forest conservation.

"Sir, a certain solemnity of its own surrounds the introduction of this Forest Bill. An epoch is condemned, a new epoch inaugurated, a turning point in the development of this great young Province reached. We raise ourselves today above our transitory interests of this week, this year; we glance down the vista of the years to come, and, turning from that vision of the future, we call the world to witness that we legislate today, not only for ourselves and for the needs of this day and this generation, but also, and no less, for our children's children, and for all posterity—that we may hand down to them their vast heritage of forest wealth, unexhausted and unimpaired."

Amid prolonged applause the Minister resumed his seat.



MR. WILLIAM R. ROSS
MINISTER OF LANDS